

Exchange of Flat and Share Transfer.

As per the old Bye-laws (2001) of the society prior to amendments members desiring to exchange their flats were required to make a joint application to the Hon. Secretary of the society where in they were required to give names of concerned members, distinctive numbers of their flats details of building where flats are situated and the reasons for exchange. Society was not required to insist upon Deed of Exchange and Stamp Duty payment and registration of the same.

However, under the provisions of Transfer of Property Act it was always necessary to enter into a Deed of Exchange and to register the same after payment of appropriate Stamp Duty under the Stamp Act. It was always advisable for the clear title of the ownership of the flat acquired in exchange to execute the Deed of Exchange and get it registered. In fact, the Bombay Stamp Act 1958 requires payment of stamp duty on market value of the property of the greatest value. As such even though the transaction in its effect results into the transfer of property like Sale of the Property, the Stamp duty was not paid in absence of any document.

The Bye-laws have now been amended to provide that the members have to submit registered deed of exchange with necessary stamp duty paid apart from the above noted requirements.